

M e m o r a n d u m

To: Panel Members

Date: June 22, 2007

From: Ruby Cohen, Manager

Analyst: J. Daunt

Subject: One-Step Agreement for **CALIFORNIA HISPANIC CHAMBERS OF COMMERCE (SET)**

CONTRACTOR:

- Multiple Employer: Chamber Of Commerce
- Training Project Profile: Entrepreneurial Training
- Type of Industry: various

CONTRACT:

- Program Costs: \$46,200
- Multiple Employer Support (8%) \$3,150
- Total ETP Funding: \$49,350
- Employer Contribution: \$22,500
- County(ies) Served: Statewide
- Average Cost Per Trainee \$329.00
- Number Trainees to Retain 150
- Training Menu Business Skills
- Range of Hours 8 to 60
- Subcontractors Lexicon Training Services, Los Angeles; Paul Garza Consulting, Fullerton
- Third Party Services Paul Garza, Jr., has prepared this application at no cost.

INTRODUCTION:

The California Hispanic Chambers of Commerce (CHCC) is a network of over 60 Hispanic chambers and business associations throughout the state. CHCC's representatives state that the organization's mission is to promote the economic growth and development of Hispanic entrepreneurs. CHCC is the premier and largest regional Hispanic business organization in the nation, representing the interests of over 600,000 Hispanic-owned businesses in the State of California.

CHCC is eligible to provide training as a Group of Employers for ETP funding as outlined under Title 22, California Code of Regulations (CCR), Section 4400(j)(3).

The proposed entrepreneurial training addresses the business needs of small business owners employing at least one full-time employee and no more than nine employees, as required by ETP. CHCC representatives state that the business owners to be enrolled as trainees in this training project will primarily be women and/or minority entrepreneurs.

CHCC representatives state that one of the objectives of the proposed entrepreneurial training program is to provide entrepreneurs and small business owners with a Business Skills curriculum of training that will foster the kinds of competitive business management skills which are most likely to help an owner successfully manage and grow his or her small business, allowing a higher level of financial success. In short, the training is expected to promote the growth and success of small Hispanic businesses in California.

The representatives state that, based on conversations with and feedback from small business owners and entrepreneurs associated with the Chambers, the applicant has formulated a Business Skills curriculum that contains the following modules:

- Strategic Planning
- Writing an Effective Business Plan
- Building a Management Team
- Protecting Intangible Assets: Intellectual Property Rights
- Marketing, Pricing and Competition
- Finance and Valuation
- Business Presentations
- Attracting Capital: Financing Strategies for the New Venture

COMMENTS/ISSUES:

It is important to note that CHCC is not a training agency *per se*, but a membership organization (see Title 22, CCR Section 4400(j)(3)). Thus, CHCC is continuing negotiations with Lexicon Training Services for the provision of the training contained in this proposal. Lexicon will provide the training, but the specific provisions of the subcontractual arrangement have not yet been finalized.

RECOMMENDATION:

Staff recommends that the Panel find the applicant's proposal reasonable and approve CHCC's application for a training project that will provide small business owners in California with the skills and knowledge to maintain and grow their businesses at a vulnerable stage in their development, allowing not only the owners but also their employees to remain in a stable employment environment.